

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
W. R. GRACE & CO., et al., ¹)	Case No. 01-01139 (JKF)
)	(Jointly Administered)
Debtors.)	
)	Related Docket No. 833
)	

**DEBTORS' THIRTY-NINTH QUARTERLY REPORT OF SETTLEMENTS FROM
JANUARY 1, 2011 THROUGH MARCH 31, 2011 IN ACCORDANCE WITH THAT
CERTAIN AMENDED ORDER AUTHORIZING AND APPROVING AN OMNIBUS
PROCEDURE FOR SETTTLING CERTAIN CLAIMS AND CAUSES OF ACTION
BROUGHT BY OR AGAINST THE DEBTORS IN A JUDICIAL, ADMINISTRATIVE,
ARBITRAL OR OTHER ACTION OR PROCEEDING**

PLEASE TAKE NOTICE that, pursuant to that certain "*Amended Order Authorizing and Approving an Omnibus Procedure for Settling Certain Claims and Causes of Action Brought by or Against the Debtors in a Judicial, Administrative, Arbitral or Other Action or Proceeding dated September 18, 2001*" (the "Order"), the Debtors are required to file with the Court a list of the settlements made by the Debtors for the period of January 1, 2011, through March 31,

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company and H-G Coal Company.

2011,(the “Settlement Period”), pursuant to the Order, including the names and addresses of the settling parties, the types and amounts of the settlements and the nature of the settlements, including the amount of any monetary payments paid or received by the Debtors (the “Settled Amounts”). A list of such settlements made during the Settlement Period is attached hereto as Exhibit A.²

PLEASE TAKE FURTHER NOTICE that, in accordance with the Order, the settlements listed on Exhibit A with Settled Amounts that equal or exceed \$50,000 but do not exceed \$1,000,000, required the Debtors to provide notice of the terms of the settlement to the Negative Notice Parties; such notice was provided and such notice was filed with the Court.

[Remainder of page intentionally left blank]

² Exhibit A to this Report does not list any settlements made during the Settlement Period that have previously been the subject of motions filed with the Court.

PLEASE TAKE FURTHER NOTICE that the Debtors may have settled claims or causes of action during the Settlement Period that inadvertently have not been listed on Exhibit A. In that case, such settlements will be disclosed in future reports filed with the Court.

Dated: April 25, 2011

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